

CONFIDENTIAL BUSINESS INFORMATION

Ledwith, Cara L.

From: Miller, Jeff
Sent: Wednesday, October 05, 2011 4:14 PM
To: clouis@resolute-ne.com
Cc: Hill, Steven F.; Ledwith, Cara L.
Subject: Lower Duwamish Waterway Superfund Site - Acknowledgement of Notice Letters Needed
Attachments: LloydsNotice3.pdf; LloydsNotice1.pdf; LloydsNotice4.pdf; LloydsNotice2.pdf; LloydsNotice8.pdf; LloydsNotice5.pdf; LloydsNotice10.pdf; LloydsNotice9.pdf; 4-2-10 Dinunzio - StHelens_ResoluteLetter.pdf
Categories: LDW

Dear Ms. Louis,

As you know, we represent Kaiser Cement Corporation and Kaiser Gypsum Company, Inc. with respect to insurance matters related to the St. Helens, Oregon site. We also represent those entities with respect to their claims for insurance coverage related to the Lower Duwamish Waterway Superfund Site. Last December we tendered their claims for coverage to the Underwriters at Lloyds, London ("Underwriters") but have not yet received acknowledgement of the notice letters (see attached). We received a letter from your predecessor at Resolute, Peter Dinunzio, in which he stated that Resolute would be handling claim servicing on behalf of the Underwriters (see attached). Specifically, he stated that Resolute would be receiving and acknowledging new claim notices.

Given that you are now the Resolute account manager and that you were copied on the tender letters, will you please provide acknowledgement of the tender letters and advise us of the Underwriters' coverage position? If Resolute is not handling claim notices for the Underwriters, we would appreciate your assistance in identifying where to send the notices.

Thank you for your assistance.

Jeff

Jeff Miller

MILLER NASH LLP

500 East Broadway | Suite 400 | Vancouver, Washington 98660-3324

Office: 360-699-4771 | Fax: 360-694-6413

Jeff.Miller@MillerNash.com | www.millernash.com

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to another party any transaction, plan or arrangement. Each taxpayer should seek advice from their own independent tax adviser, based on the taxpayer's particular circumstances.



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OFFICE 360.699.4771
FAX 360.694.6413

Steven F. Hill, P.C.
Admitted in Washington and Oregon
steve.hill@millernash.com
(360) 619-7004 direct line

December 17, 2010

**BY CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

AON Service Corporation
c/o Corporation Service Company
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

Bowes & Company, Inc Insurance Broker, Inc.
c/o Swett & Crawford
720 Olive Way, 18th Floor
Seattle, WA 98101

Bowes & Company, Inc. Insurance Broker, Inc.
c/o Swett & Crawford
c/o CT Corporations System
1801 West Bay Dr NE, Suite 206
Olympia, WA 98502

Subject: Insured: Kaiser Cement Corporation
Insurer: Certain Underwriters At Lloyd's, London (Bowes; Landis,
Pelletier & Parrish)

Policy No. (Periods): A31026 (10/03/43-10/03/44)
A34351 (10/03/44-10/03/45)
A37678 (10/03/45-10/03/46)
A40951 (10/03/46-10/03/47)
A46172 (10/03/47-10/03/48)
A50630 (10/03/48-10/03/49)
X4580 (10/03/49-10/03/50)
T2190 (10/03/50-10/03/51)
T2482 (10/03/51-10/03/52)
T2715 (10/03/52-09/15/53)
T2890 (09/15/53-09/15/54)
T3147 (09/15/54-09/15/55)

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T3461 (09/15/55-09/15/56)
57236 (T4507) (09/15/55-09/15/58)
T3727 (09/15/56-09/15/57)
T4044 (09/15/57-09/15/58)
LL63250 (T4699) (09/15/58-09/15/59)
LL65520 (T4744) (09/15/59-09/15/60)
LL67476 (T5054) (09/15/60-09/15/61)
LL69260 (09/15/61-09/15/62)

Claim: Lower Duwamish Waterway Superfund Site

Ladies and Gentlemen:

We represent Kaiser Cement Corporation, now known as Hanson Permanente Cement, Inc. ("KCC"), in connection with the necessary investigation that it is undertaking in order to respond to the United States Environmental Protection Agency's ("EPA") February 19, 2010 request for information served on KCC pursuant to Section 104(e) of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. § 9604(e). Section 104(e) of CERCLA obligates KCC to respond to EPA's multi-part questions relating to KCC's historical ownership and operations on riparian property that KCC formerly owned along the Lower Duwamish Waterway ("LDW") in Seattle, Washington. The LDW is a waterway that has been listed on the CERCLA National Priorities List as a federal Superfund site (the "LDW Superfund Site") due to the release or substantial threat of release of hazardous substances in or around the waterway. Compliance with the EPA's Section 104(e) information request is required by law, and failure to respond may subject KCC to an EPA enforcement action and civil penalties of up to \$37,500 per day.

KCC is in the process of investigating its historical connection with the LDW. To date, we have only been able to confirm that KCC owned property and conducted cement operations at two separate locations along the LDW, including 5906 West Marginal Way S.W. (the "Westside Property") and 5975 East Marginal Way S. (the "Eastside Property") in Seattle, Washington (collectively referred to as the "Seattle Properties"). In addition, our preliminary review of historical documents, including publicly available real property records, has confirmed the following:

- KCC purchased a portion of the Eastside Property in June 1944. KCC constructed a cement distribution facility on the Eastside Property, which started operation in approximately October 1946. The facilities on the Eastside Property that were owned and operated by KCC included a dolphin pier, silos, storage facilities, a

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December 17, 2010
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sacking plant, railroad spurs, truck loading accommodations, and an office building.

- In December 1953, KCC sold a portion of the Eastside Property to Kaiser Gypsum Company, Inc.
- In October 1958, KCC purchased additional real property, including a water inlet, from Commercial Waterway District No. 1, in order to expand the Eastside Property.
- In January 1965, KCC entered into a long-term lease with the Port of Seattle (the "Port") for the Westside Property. A condition of the lease required KCC to build a cement manufacturing and distribution facility. This facility was constructed and began operations in 1967. KCC entered into a real estate contract with the Port in May 1969. By fulfillment deed, KCC acquired fee title in the Westside Property on September 17, 1973.
- On October 1, 1985, KCC sold all of its interest in the remainder of the Eastside Property to Riedel International, Inc.
- On April 14, 1987, KCC sold all of its interest in the Westside Property to Lone Star Industries, Inc.

KCC has not located any former officers or employees of KCC with knowledge of its operations at the Seattle Properties. On June 23, 2010, KCC filed a preliminary response to EPA's Section 104(e) information request based on the information we were able to gather, including the information recited above, from real property records, tax records, and certain historical documents that were previously gathered by KCC's defense counsel during KCC's defense of asbestos litigations.

We understand that at or around the time that it ceased active business operations, KCC collected certain of its business records and sent them to storage facilities in California. These documents cover a variety of historical information, and are believed to contain documents related to historical KCC operating facilities in multiple states, including Washington. KCC was able to locate certain indexes of the California documents, but these indexes were not created with EPA's Section 104(e) information request in mind. Therefore, it is very difficult to determine the extent of documents that might contain information responsive to EPA's Section 104(e) information request or the scope of document review that might be necessary to search

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Page 4

for such documents. We do know, however, that there are approximately 10,000 boxes of historic documents stored in California.

During preparation of KCC's response to the Section 104(e) information request, we contacted EPA and informed EPA that these historical records existed. We also indicated to EPA that, given the volume of these historical documents, we would not be able to review them by the deadline EPA had imposed for KCC's response. EPA requested that KCC file a preliminary response to the Section 104(e) information request by its deadline using the information and documents readily available to KCC. EPA further requested that KCC agree to conduct a thorough review of the historical records and supplement its response to the Section 104(e) information request in the next few months.

At this time, our office has conducted a preliminary review of the available box indexes for the California documents and it is clear that some boxes may contain information responsive to EPA's Section 104(e) information request. In order to fully respond to EPA's Section 104(e) information request and avoid the imposition of liability on KCC for failing to have done so, counsel for KCC will need to conduct extensive searches of the California documents over the next few months and will need to supplement KCC's preliminary response, as appropriate, based on any responsive information identified as a result of such searches. In sum, KCC needs to undertake the process of conducting an investigation of the available information in order to complete its legal obligation to respond to EPA's Section 104(e) information request.

At this time, we do not know if KCC may have contributed to any contamination of the LDW Superfund Site. But as a former owner of property within the boundaries of the LDW Superfund Site, KCC is potentially liable for any contamination of the LDW Superfund Site that may have occurred during KCC's ownership and operation of the Seattle Properties. In order to assess its potential liability and to comply with its legal obligation to respond to EPA's Section 104(e) information request, KCC is obligated to complete its review of the historical corporate documents stored in California.

Based on our records, Certain Underwriters At Lloyd's, London (Bowes; Landis, Pelletier & Parrish) ("Lloyd's") sold comprehensive general liability insurance policies to KCC (formerly known as Permanente Cement Company and Kaiser Cement & Gypsum Corporation), naming KCC as an additional insured, during the period from 1943 through 1962. The specific Lloyd's policies that we have located to date are listed above.



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The EPA's Section 104(e) information request requires KCC to defend itself from any claims that it is a liable party for the contamination discovered in the LDW Superfund Site. Accordingly, on behalf of KCC, we hereby put Lloyd's on notice of this claim and request that Lloyd's provide defense and indemnity coverage for this claim and any other claims against KCC that are related to the LDW Superfund Site.

If you have any questions, please e-mail me at steve.hill@millernash.com or call me at 360.699.4771.

Very truly yours,

A handwritten signature in black ink, appearing to read "S. F. Hill".

Steven F. Hill, P.C.

cc: Brian A. Kelly
Claire Louis

KG2005599

039391-0008/VANDOC5:50144640.1

7160 3901 9848 2715 5437

TO: AON Service Corporation
c/o Corporation Service Company
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

SENDER: MN/Hill/Ledwith

REFERENCE: 039391-0008/0009

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DOWN TOWN STATION
SEATTLE, WA 98101

7160 3901 9848 2715 5642

TO: Bowes & Company, Inc.
Insurance Broker, Inc.
c/o Swett & Crawford
720 Olive Way, 18th Floor
Seattle, WA 98101

SENDER: Miller Nash-Hill

REFERENCE: 039391-0008/0009

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SEATTLE, WA 98101

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TO: Bowes & Company, Inc.
Insurance Broker, Inc.
c/o Swett & Crawford
c/o CT Corporations System
1801 West Bay Drive NE, Suite 206
Olympia, WA 98502

SENDER: MN/Hill/Ledwith

REFERENCE: 039391-0008/0009

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Steven F. Hill, P.C.
Admitted in Washington and Oregon
steve.hill@millernash.com
(360) 619-7004 direct line

December 22, 2010

**BY CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Aon Risk Insurance Services West, Inc.
c/o Registered Agent
Prentice Hall Corp System
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

Aon Risk Services, Inc.
Of Washington
c/o Registered Agent
Corporate Service Company
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

Aon Service Corporation
c/o Corporation Service Company
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

Subject:	Insured:	Kaiser Cement Corporation
	Insurer:	Industrial Indemnity
		Certain Underwriters at Lloyd's, London
	Policy No. (Periods):	See Enclosed
	Claim:	Lower Duwamish Waterway Superfund Site

Dear Ladies and Gentlemen:

We represent Kaiser Cement Corporation, now known as Hanson Permanente Cement, Inc. ("KCC"), in connection with the necessary investigation that it is undertaking in order to respond to the United States Environmental Protection Agency's ("EPA") February 19, 2010 request for information served on KCC pursuant to Section 104(e) of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. § 9604(e). Section 104(e) of CERCLA obligates

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039391-0008/VANDOC5:50144708.1



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KCC to respond to EPA's multi-part questions relating to KCC's historical ownership and operations on riparian property that KCC formerly owned along the Lower Duwamish Waterway ("LDW") in Seattle, Washington. The LDW is a waterway that has been listed on the CERCLA National Priorities List as a federal Superfund site (the "LDW Superfund Site") due to the release or substantial threat of release of hazardous substances in or around the waterway. Compliance with the EPA's Section 104(e) information request is required by law, and failure to respond may subject KCC to an EPA enforcement action and civil penalties of up to \$37,500 per day.

KCC is in the process of investigating its historical connection with the LDW. To date, we have only been able to confirm that KCC owned property and conducted cement operations at two separate locations along the LDW, including 5906 West Marginal Way S.W. (the "Westside Property") and 5975 East Marginal Way S. (the "Eastside Property") in Seattle, Washington (collectively referred to as the "Seattle Properties"). In addition, our preliminary review of historical documents, including publicly available real property records, has confirmed the following:

- KCC purchased a portion of the Eastside Property in June 1944. KCC constructed a cement distribution facility on the Eastside Property, which started operation in approximately October 1946. The facilities on the Eastside Property that were owned and operated by KCC included a dolphin pier, silos, storage facilities, a sacking plant, railroad spurs, truck loading accommodations, and an office building.
- In December 1953, KCC sold a portion of the Eastside Property to Kaiser Gypsum Company, Inc.
- In October 1958, KCC purchased additional real property, including a water inlet, from Commercial Waterway District No. 1, in order to expand the Eastside Property.
- In January 1965, KCC entered into a long-term lease with the Port of Seattle (the "Port") for the Westside Property. A condition of the lease required KCC to build a cement manufacturing and distribution facility. This facility was constructed and began operations in 1967. KCC entered into a real estate contract with the

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Port in May 1969. By fulfillment deed, KCC acquired fee title in the Westside Property on September 17, 1973.

- On October 1, 1985, KCC sold all of its interest in the remainder of the Eastside Property to Riedel International, Inc.
- On April 14, 1987, KCC sold all of its interest in the Westside Property to Lone Star Industries, Inc.

KCC has not located any former officers or employees of KCC with knowledge of its operations at the Seattle Properties. On June 23, 2010, KCC filed a preliminary response to EPA's Section 104(e) information request based on the information we were able to gather, including the information recited above, from real property records, tax records, and certain historical documents that were previously gathered by KCC's defense counsel during KCC's defense of asbestos litigations.

We understand that at or around the time that it ceased active business operations, KCC collected certain of its business records and sent them to storage facilities in California. These documents cover a variety of historical information, and are believed to contain documents related to historical KCC operating facilities in multiple states, including Washington. KCC was able to locate certain indexes of the California documents, but these indexes were not created with EPA's Section 104(e) information request in mind. Therefore, it is very difficult to determine the extent of documents that might contain information responsive to EPA's Section 104(e) information request or the scope of document review that might be necessary to search for such documents. We do know, however, that there are approximately 10,000 boxes of historic documents stored in California.

During preparation of KCC's response to the Section 104(e) information request, we contacted EPA and informed EPA that these historical records existed. We also indicated to EPA that, given the volume of these historical documents, we would not be able to review them by the deadline EPA had imposed for KCC's response. EPA requested that KCC file a preliminary response to the Section 104(e) information request by its deadline using the information and documents readily available to KCC. EPA further requested that KCC agree to conduct a thorough review of the historical records and supplement its response to the Section 104(e) information request in the next few months.

KG2005603



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Page 4

At this time, our office has conducted a preliminary review of the available box indexes for the California documents and it is clear that some boxes may contain information responsive to EPA's Section 104(e) information request. In order to fully respond to EPA's Section 104(e) information request and avoid the imposition of liability on KCC for failing to have done so, counsel for KCC will need to conduct extensive searches of the California documents over the next few months and will need to supplement KCC's preliminary response, as appropriate, based on any responsive information identified as a result of such searches. In sum, KCC needs to undertake the process of conducting an investigation of the available information in order to complete its legal obligation to respond to EPA's Section 104(e) information request.

At this time, we do not know if KCC may have contributed to any contamination of the LDW Superfund Site. But as a former owner of property within the boundaries of the LDW Superfund Site, KCC is potentially liable for any contamination of the LDW Superfund Site that may have occurred during KCC's ownership and operation of the Seattle Properties. In order to assess its potential liability and to comply with its legal obligation to respond to EPA's Section 104(e) information request, KCC is obligated to complete its review of the historical corporate documents stored in California.

Based on our records, the insurance companies identified on the enclosed list sold excess and/or umbrella liability insurance policies to KCC (formerly known as Permanente Cement Company and Kaiser Cement & Gypsum Corporation), naming KCC as an additional insured, during the period from 1953 through 1985. The specific policies that we have located to date are listed on the enclosure.

The EPA's Section 104(e) information request requires KCC to defend itself from any claims that it is a liable party for the contamination discovered in the LDW Superfund Site. Should further review of historical records establish a basis for KCC's potential liability for contamination of the LDW Superfund Site, we expect that EPA will name KCC as a potentially responsible party for the LDW Superfund Site. Accordingly, on behalf of KCC, we hereby put Industrial on notice of this potential claim and request that Industrial provide coverage for this claim and any other claims against KCC that are related to the LDW Superfund Site.

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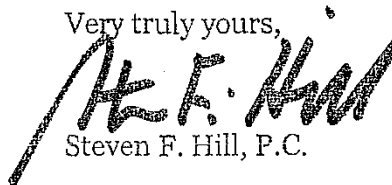
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If you have any questions, please e-mail me at steve.hill@millernash.com
or call me at 360.699.4771.

Very truly yours,



Steven F. Hill, P.C.

Enclosure

cc: Susan M. Breen-Quinn
Brian Kelly
Claire Louis

KG2005605

039391-0008/VANDOC5:50144708.1

POLICIES

Carrier: Industrial Indemnity
Policies: JE8312723 (04/01/81-04/01/83)

Certain Underwriters at Lloyd's, London (C.T. Bowring)
PY024577 (10/01/77-10/01/78)
Reed Stenhouse Cert. LUS1294 / PY008381 (04/01/80-04/01/81)
LUS1324 / PY027381 (04/01/81-04/01/84)
LUS1325 / PY027481 (04/01/81-04/01/84)
LUS1326 / PY027581 (04/01/81-04/01/82)
LUS1355 (04/01/82-04/01/83)

**Certain Underwriters at Lloyd's, London
(J.H. Minet / Landis Pelletier & Parrish)**
70107/51910 (03/01/53-03/01/54)
70108/54151 (03/01/54-03/01/55)
73158/LL56155 (03/01/55-03/01/56)
78500/57238 (09/15/55-09/15/58)
75211/LL57956 (03/01/56-03/01/57)
LL2453 (09/17/56-09/17/59)
76128/LL60090 (03/01/57-03/01/58)
79409/62100 (03/01/58-03/01/59)
64500/81538 (03/01/59-03/01/60)
LL65521 (09/15/59-09/15/60)
LL67473 (09/15/60-09/15/61)
LL67477 (09/15/60-09/15/61)
LL69261 (09/15/61-09/15/62)

**Certain Underwriters at Lloyd's, London
(J.H. Minet / Chapman & Co / Landis Pelletier & Parrish)**
79882 (09/15/58-9/15/60)
79883 (09/15/58-09/15/59)
79884 (09/15/58-09/15/60)
79885 (09/15/58-09/15/60)
80900 (09/15/59-12/31/61)
83086 (09/15/60-12/31/61)
83024 (09/15/60-12/31/61)
83143 (09/15/60-12/31/61)

KG2005606

Certain Underwriters at Lloyd's, London

(J.H. Minet; notice to Landis Pelletier & Parrish)

LL73974 (09/17/53-09/17/56)

LL65521 (09/15/59-09/15/60)

61560/LL69700 (12/31/61-12/31/63)

61561/LL69701 (12/31/61-12/31/63)

64564 (12/31/63-12/31/64)

64022 (12/31/63-12/31/64)

Certain Underwriters at Lloyd's, London

(J.H. Minet; notice to Underwriters Service, Inc.)

LUS1031/LUS1031A/031382000 (12/31/64-01/01/68)

LUS1032/LUS1032A/031383000 (12/31/64-01/01/68)

LUS1033/LUS1033A/301384000 (04/22/65-01/01/68)

LUS1037/LUS1037A/301384000 (06/01/65-06/01/68)

LUS1066/LUS1066A/025114000 (01/01/68-01/30/71)

LUS1067/LUS1067A/025115000 (01/01/68-01/30/71)

LUS1068/LUS1068A/025116000 (01/01/68-01/31/71)

LUS1069 (01/01/68-01/01/71)

Certain Underwriters at Lloyd's, London (Howden)

SCU 956483/ 57545/83 (04/01/83-05/01/84)

XL500280/57546/83 (04/01/83-05/01/84)

XS740072G/58548/84 (05/01/84-04/01/85)

SCU956816/58552/84 (05/01/84-04/01/85)

XS740074G/58550/84 (05/01/84-04/01/85)

XC740075G/58551/84 (05/01/84-04/01/85)

834/58549/84 (05/01/84-04/01/85)

Certain Underwriters at Lloyd's, London

(Sedgwick, notice to Alexander & Alexander / Clifton & Company)

Risk No. UQA0091 (04/01/83-04/01/84)

Risk No. UQA0092 (04/01/83-04/01/84)

KG2005607

VANDOC5:50144693.1

7160 3901 9848 8114 0707

TO:

Aon Risk Insurance Services West, Inc.
c/o Registered Agent
Prentice Hall Corp System
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

SENDER:

MN/Hill/Ledwith

REFERENCE:

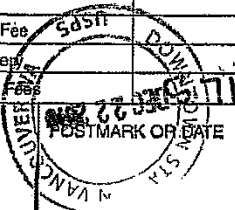
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PS Form 3800, January 2005

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TO:

Aon Risk Services, Inc. of Washington
c/o Registered Agent
Corporation Sercie Company
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

SENDER:

MN/Hill/Ledwith

REFERENCE:

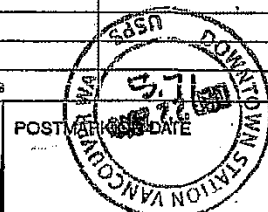
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MN/Hill/Ledwith

REFERENCE:

030391-0008/0009

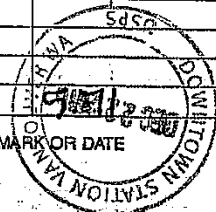
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Steven F. Hill, P.C.
Admitted in Washington and Oregon
steve.hill@millernash.com
(360) 619-7004 direct line

December 22, 2010

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Cravens, Dargan & Company
c/o The Corporation Trust Company
Corporation Trust Center
1209 Orange Street
Wilmington, DE 19801

Cravens, Dargan & Company
1903 Hermann Drive
Houston, TX 77004

Cravens, Dargan & Company
c/o Malcom Cravens, Registered Agent
234 Bush Street
San Francisco, CA 94104

London and Edinburgh Insurance Company, LTD
Wilson Elser Moskowitz Edelman & Dicker
150 E 42nd Street
New York, NY 10017

Subject: Insured: Kaiser Cement Corporation
Insurer: London & Edinburg (Cravens)
Policy No. (Periods): L061715 (09/15/62-09/15/63)
Claim: Lower Duwamish Waterway Superfund Site

Dear Ladies and Gentlemen:

We represent Kaiser Cement Corporation, now known as Hanson Permanente Cement, Inc. ("KCC"), in connection with the necessary investigation that it is undertaking in order to respond to the United States Environmental Protection Agency's ("EPA") February 19, 2010 request for information served on KCC pursuant to Section 104(e) of the Comprehensive Environmental Response, Compensation, and

KG2005609

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December 22, 2010
Page 2

Liability Act ("CERCLA"), 42 U.S.C. § 9604(e). Section 104(e) of CERCLA obligates KCC to respond to EPA's multi-part questions relating to KCC's historical ownership and operations on riparian property that KCC formerly owned along the Lower Duwamish Waterway ("LDW") in Seattle, Washington. The LDW is a waterway that has been listed on the CERCLA National Priorities List as a federal Superfund site (the "LDW Superfund Site") due to the release or substantial threat of release of hazardous substances in or around the waterway. Compliance with the EPA's Section 104(e) information request is required by law, and failure to respond may subject KCC to an EPA enforcement action and civil penalties of up to \$37,500 per day.

KCC is in the process of investigating its historical connection with the LDW. To date, we have only been able to confirm that KCC owned property and conducted cement operations at two separate locations along the LDW, including 5906 West Marginal Way S.W. (the "Westside Property") and 5975 East Marginal Way S. (the "Eastside Property") in Seattle, Washington (collectively referred to as the "Seattle Properties"). In addition, our preliminary review of historical documents, including publicly available real property records, has confirmed the following:

- KCC purchased a portion of the Eastside Property in June 1944. KCC constructed a cement distribution facility on the Eastside Property, which started operation in approximately October 1946. The facilities on the Eastside Property that were owned and operated by KCC included a dolphin pier, silos, storage facilities, a sacking plant, railroad spurs, truck loading accommodations, and an office building.
- In December 1953, KCC sold a portion of the Eastside Property to Kaiser Gypsum Company, Inc.
- In October 1958, KCC purchased additional real property, including a water inlet, from Commercial Waterway District No. 1, in order to expand the Eastside Property.
- In January 1965, KCC entered into a long-term lease with the Port of Seattle (the "Port") for the Westside Property. A condition of the lease required KCC to build a cement manufacturing and distribution facility. This facility was constructed and began operations in 1967. KCC entered into a real estate contract with the

KG2005610

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December 22, 2010
Page 3

Port in May 1969. By fulfillment deed, KCC acquired fee title in the Westside Property on September 17, 1973.

- On October 1, 1985, KCC sold all of its interest in the remainder of the Eastside Property to Riedel International, Inc.
- On April 14, 1987, KCC sold all of its interest in the Westside Property to Lone Star Industries, Inc.

KCC has not located any former officers or employees of KCC with knowledge of its operations at the Seattle Properties. On June 23, 2010, KCC filed a preliminary response to EPA's Section 104(e) information request based on the information we were able to gather, including the information recited above, from real property records, tax records, and certain historical documents that were previously gathered by KCC's defense counsel during KCC's defense of asbestos litigations.

We understand that at or around the time that it ceased active business operations, KCC collected certain of its business records and sent them to storage facilities in California. These documents cover a variety of historical information, and are believed to contain documents related to historical KCC operating facilities in multiple states, including Washington. KCC was able to locate certain indexes of the California documents, but these indexes were not created with EPA's Section 104(e) information request in mind. Therefore, it is very difficult to determine the extent of documents that might contain information responsive to EPA's Section 104(e) information request or the scope of document review that might be necessary to search for such documents. We do know, however, that there are approximately 10,000 boxes of historic documents stored in California.

During preparation of KCC's response to the Section 104(e) information request, we contacted EPA and informed EPA that these historical records existed. We also indicated to EPA that, given the volume of these historical documents, we would not be able to review them by the deadline EPA had imposed for KCC's response. EPA requested that KCC file a preliminary response to the Section 104(e) information request by its deadline using the information and documents readily available to KCC. EPA further requested that KCC agree to conduct a thorough review of the historical records and supplement its response to the Section 104(e) information request in the next few months.

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039391-0006/VANDOC5:50144708.1



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London and Edinburgh
December 22, 2010
Page 4

At this time, our office has conducted a preliminary review of the available box indexes for the California documents and it is clear that some boxes may contain information responsive to EPA's Section 104(e) information request. In order to fully respond to EPA's Section 104(e) information request and avoid the imposition of liability on KCC for failing to have done so, counsel for KCC will need to conduct extensive searches of the California documents over the next few months and will need to supplement KCC's preliminary response, as appropriate, based on any responsive information identified as a result of such searches. In sum, KCC needs to undertake the process of conducting an investigation of the available information in order to complete its legal obligation to respond to EPA's Section 104(e) information request.

At this time, we do not know if KCC may have contributed to any contamination of the LDW Superfund Site. But as a former owner of property within the boundaries of the LDW Superfund Site, KCC is potentially liable for any contamination of the LDW Superfund Site that may have occurred during KCC's ownership and operation of the Seattle Properties. In order to assess its potential liability and to comply with its legal obligation to respond to EPA's Section 104(e) information request, KCC is obligated to complete its review of the historical corporate documents stored in California.

Based on our records, Certain Underwriters At Lloyd's, London (Cravens) ("Lloyd's") sold excess and/or umbrella liability insurance policies to KCC (formerly known as Permanente Cement Company and Kaiser Cement & Gypsum Corporation), naming KCC as an additional insured, during the period from 1962 through 1963. The specific Lloyd's policy that we have located to date is listed above.

The EPA's Section 104(e) information request requires KCC to defend itself from any claims that it is a liable party for the contamination discovered in the LDW Superfund Site. Should further review of historical records establish a basis for KCC's potential liability for contamination of the LDW Superfund Site, we expect that EPA will name KCC as a potentially responsible party for the LDW Superfund Site. Accordingly, on behalf of KCC, we hereby put Lloyd's on notice of this potential claim and request that Lloyd's provide coverage for this claim and any other claims against KCC that are related to the LDW Superfund Site.

KG2005612

039391-0008/VANDOC5:50144708.1

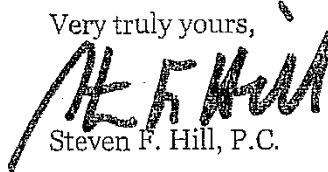


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London and Edinburgh
December 22, 2010
Page 5

If you have any questions, please e-mail me at steve.hill@millernash.com
or call me at 360.699.4771.

Very truly yours,



Steven F. Hill, P.C.

cc: Brian Kelly
Claire Louis

KG2005613

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7160 3901 9848 8114 0332

TO:

Cravens, Dargan & Company
1903 Hermann Drive
Houston, TX 77004

SENDER:

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LTD
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150 East 42nd Street
New York, NY 10017

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TO:

Cravens, Dargan & Company
c/o Malcom Cravens, Registered Agent
234 Bush Street
San Francisco, CA 94104

SENDER:

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Steven F. Hill, P.C.
Admitted in Washington and Oregon
steve.hill@millernash.com
(360) 619-7004 direct line

December 22, 2010

**BY CERTIFIED MAIL
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C.V. Starr & Co. Inc.
399 Park Avenue
New York, NY 10022

C.V. Starr & Co.
c/o Registered Agent
CT Corporation System
1801 West Bay Drive NW, Suite 206
Olympia, WA 98502

Subject: Insured: Kaiser Cement Corporation
Insurer: Certain Underwriters At Lloyd's, London (C.V. Starr & Co.)
Policy No. (Periods): 12-0053 (01/30/71-01/01/74)
Claim: Lower Duwamish Waterway Superfund Site

Dear Ladies and Gentlemen:

We represent Kaiser Cement Corporation, now known as Hanson Permanente Cement, Inc. ("KCC"), in connection with the necessary investigation that it is undertaking in order to respond to the United States Environmental Protection Agency's ("EPA") February 19, 2010 request for information served on KCC pursuant to Section 104(e) of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. § 9604(e). Section 104(e) of CERCLA obligates KCC to respond to EPA's multi-part questions relating to KCC's historical ownership and operations on riparian property that KCC formerly owned along the Lower Duwamish Waterway ("LDW") in Seattle, Washington. The LDW is a waterway that has been listed on the CERCLA National Priorities List as a federal Superfund site (the "LDW Superfund Site") due to the release or substantial threat of release of hazardous substances in or around the waterway. Compliance with the EPA's Section 104(e) information request is required by law, and failure to respond may subject KCC to an EPA enforcement action and civil penalties of up to \$37,500 per day.

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C.V. Starr & Co. Inc.
 December 22, 2010
 Page 2

KCC is in the process of investigating its historical connection with the LDW. To date, we have only been able to confirm that KCC owned property and conducted cement operations at two separate locations along the LDW, including 5906 West Marginal Way S.W. (the "Westside Property") and 5975 East Marginal Way S. (the "Eastside Property") in Seattle, Washington (collectively referred to as the "Seattle Properties"). In addition, our preliminary review of historical documents, including publicly available real property records, has confirmed the following:

- KCC purchased a portion of the Eastside Property in June 1944. KCC constructed a cement distribution facility on the Eastside Property, which started operation in approximately October 1946. The facilities on the Eastside Property that were owned and operated by KCC included a dolphin pier, silos, storage facilities, a sacking plant, railroad spurs, truck loading accommodations, and an office building.
- In December 1953, KCC sold a portion of the Eastside Property to Kaiser Gypsum Company, Inc.
- In October 1958, KCC purchased additional real property, including a water inlet, from Commercial Waterway District No. 1, in order to expand the Eastside Property.
- In January 1965, KCC entered into a long-term lease with the Port of Seattle (the "Port") for the Westside Property. A condition of the lease required KCC to build a cement manufacturing and distribution facility. This facility was constructed and began operations in 1967. KCC entered into a real estate contract with the Port in May 1969. By fulfillment deed, KCC acquired fee title in the Westside Property on September 17, 1973.
- On October 1, 1985, KCC sold all of its interest in the remainder of the Eastside Property to Riedel International, Inc.
- On April 14, 1987, KCC sold all of its interest in the Westside Property to Lone Star Industries, Inc.

KCC has not located any former officers or employees of KCC with knowledge of its operations at the Seattle Properties. On June 23, 2010, KCC filed a preliminary response to EPA's Section 104(e) information request based on the

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Page 3

information we were able to gather, including the information recited above, from real property records, tax records, and certain historical documents that were previously gathered by KCC's defense counsel during KCC's defense of asbestos litigations.

We understand that at or around the time that it ceased active business operations, KCC collected certain of its business records and sent them to storage facilities in California. These documents cover a variety of historical information, and are believed to contain documents related to historical KCC operating facilities in multiple states, including Washington. KCC was able to locate certain indexes of the California documents, but these indexes were not created with EPA's Section 104(e) information request in mind. Therefore, it is very difficult to determine the extent of documents that might contain information responsive to EPA's Section 104(e) information request or the scope of document review that might be necessary to search for such documents. We do know, however, that there are approximately 10,000 boxes of historic documents stored in California.

During preparation of KCC's response to the Section 104(e) information request, we contacted EPA and informed EPA that these historical records existed. We also indicated to EPA that, given the volume of these historical documents, we would not be able to review them by the deadline EPA had imposed for KCC's response. EPA requested that KCC file a preliminary response to the Section 104(e) information request by its deadline using the information and documents readily available to KCC. EPA further requested that KCC agree to conduct a thorough review of the historical records and supplement its response to the Section 104(e) information request in the next few months.

At this time, our office has conducted a preliminary review of the available box indexes for the California documents and it is clear that some boxes may contain information responsive to EPA's Section 104(e) information request. In order to fully respond to EPA's Section 104(e) information request and avoid the imposition of liability on KCC for failing to have done so, counsel for KCC will need to conduct extensive searches of the California documents over the next few months and will need to supplement KCC's preliminary response, as appropriate, based on any responsive information identified as a result of such searches. In sum, KCC needs to undertake the process of conducting an investigation of the available information in order to complete its legal obligation to respond to EPA's Section 104(e) information request.

At this time, we do not know if KCC may have contributed to any contamination of the LDW Superfund Site. But as a former owner of property within the boundaries of the LDW Superfund Site, KCC is potentially liable for any

K52005617

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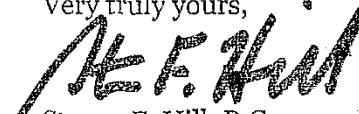
contamination of the LDW Superfund Site that may have occurred during KCC's ownership and operation of the Seattle Properties. In order to assess its potential liability and to comply with its legal obligation to respond to EPA's Section 104(e) information request, KCC is obligated to complete its review of the historical corporate documents stored in California.

Based on our records, Certain Underwriters At Lloyd's, London (C.V. Starr & Co.) ("Lloyd's") sold excess and/or umbrella liability insurance policies to KCC (formerly known as Permanente Cement Company and Kaiser Cement & Gypsum Corporation), naming KCC as an additional insured, during the period from 1971 through 1974. The specific Lloyd's policy that we have located to date is listed above.

The EPA's Section 104(e) information request requires KCC to defend itself from any claims that it is a liable party for the contamination discovered in the LDW Superfund Site. Should further review of historical records establish a basis for KCC's potential liability for contamination of the LDW Superfund Site, we expect that EPA will name KCC as a potentially responsible party for the LDW Superfund Site. Accordingly, on behalf of KCC, we hereby put Lloyds on notice of this potential claim and request that Lloyds provide coverage for this claim and any other claims against KCC that are related to the LDW Superfund Site.

If you have any questions, please e-mail me at steve.hill@millernash.com or call me at 360.699.4771.

Very truly yours,


Steven F. Hill, P.C.

cc: Brian Kelly
Claire Louis

KG2005618

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TO:

C.V. Starr & Co., Inc.
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New York, NY 10022

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FAX 360.694.6413

Steven F. Hill, P.C.
Admitted in Washington and Oregon
steve.hill@millernash.com
(360) 619-7004 direct line

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AON Service Corporation
c/o Corporation Service Company
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

Bowes & Company, Inc Insurance Broker, Inc.
c/o Swett & Crawford
720 Olive Way, 18th Floor
Seattle, WA 98101

Bowes & Company, Inc. Insurance Broker, Inc.
c/o Swett & Crawford
c/o CT Corporations System
1801 West Bay Dr NE, Suite 206
Olympia, WA 98502

Subject: Insured: Kaiser Gypsum Company, Inc.
Insurer: Certain Underwriters At Lloyd's, London (Bowes; Landis,
Pelletier & Parrish)

Policy No. (Periods): A31026 (10/03/43-10/03/44)
A34351 (10/03/44-10/03/45)
A37678 (10/03/45-10/03/46)
A40951 (10/03/46-10/03/47)
A46172 (10/03/47-10/03/48)
A50630 (10/03/48-10/03/49)
X4580 (10/03/49-10/03/50)
T2190 (10/03/50-10/03/51)
T2482 (10/03/51-10/03/52)
T2715 (10/03/52-09/15/53)
T2890 (09/15/53-09/15/54)
T3147 (09/15/54-09/15/55)



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ATTORNEYS AT LAW

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December 17, 2010

Page 2

T3461 (09/15/55-09/15/56)
57236 (T4507) (09/15/55-09/15/58)
T3727 (09/15/56-09/15/57)
T4044 (09/15/57-09/15/58)
LL63250 (T4699) (09/15/58-09/15/59)
LL65520 (T4744) (09/15/59-09/15/60)
LL67476 (T5054) (09/15/60-09/15/61)
LL69260 (09/15/61-09/15/62)

Claim: Lower Duwamish Waterway Superfund Site

Ladies and Gentlemen:

We represent Kaiser Gypsum Company, Inc. ("KGC"), in connection with the necessary investigation that it is undertaking in order to respond to the United States Environmental Protection Agency's ("EPA") February 19, 2010 request for information served on KGC pursuant to Section 104(e) of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. §9604(e). Section 104(e) of CERCLA obligates KGC to respond to EPA's multi-part questions relating to KGC's historical ownership and operations on riparian property that KGC formerly owned along the Lower Duwamish Waterway ("LDW") in Seattle, Washington. The LDW is a waterway that has been listed on the CERCLA National Priorities List as a federal Superfund site (the "LDW Superfund Site") due to the release or substantial threat of release of hazardous substances in or around the waterway. Compliance with the EPA's Section 104(e) information request is required by law, and failure to respond may subject KGC to an EPA enforcement action and civil penalties of up to \$37,500 per day.

KGC is in the process of investigating its historical connection with the LDW. To date, we have only been able to confirm that KGC owned property and operated a gypsum plant at 5931 East Marginal Way S. in Seattle, Washington on the eastern side of the LDW (the "KGC Property") from 1952 to 1978. To date, KGC has not located any former officers or employees of KGC with knowledge of its operations at the KGC Property. On June 23, 2010, KGC filed a preliminary response to EPA's Section 104(e) information request based on the information we were able to gather from real property records, tax records, and certain historical documents that were previously gathered by KGC's defense counsel during KGC's defense of asbestos litigations.

We understand that at or around the time that it ceased active business operations, KGC collected certain of its business records and sent them to storage facilities in California. These documents cover a variety of historical information, and

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December 17, 2010

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are believed to contain documents related to historical KGC operating facilities in multiple states, including Washington. KGC was able to locate certain indexes of the California documents, but these indexes were not created with EPA's Section 104(e) information request in mind. Therefore, it is very difficult to determine the extent of documents that might contain information responsive to EPA's Section 104(e) information request or the scope of document review that might be necessary to search for such documents. We do know, however, that there are approximately 10,000 boxes of historic documents stored in California.

During preparation of KGC's response to the Section 104(e) information request, we contacted EPA and informed EPA that these historical records existed. We also indicated to EPA that, given the volume of these historical documents, we would not be able to review them by the deadline EPA had imposed for KGC's response. EPA requested that KGC file a preliminary response to the Section 104(e) information request by its deadline using the information and documents readily available to KGC. EPA further requested that KGC agree to conduct a thorough review of the historical records and supplement its response to the Section 104(e) information request in the next few months.

At this time, our office has conducted a preliminary review of the available box indexes for the California documents and it is clear that some boxes may contain information responsive to EPA's Section 104(e) information request. In order to fully respond to EPA's Section 104(e) information request and avoid the imposition of liability on KGC for failing to have done so, counsel for KGC will need to conduct extensive searches of the California documents over the next few months and will need to supplement KGC's preliminary response, as appropriate, based on any responsive information identified as a result of such searches. In sum, KGC needs to undertake the process of conducting an investigation of the available information in order to complete its legal obligation to respond to EPA's Section 104(e) information request.

At this time, we do not know if KGC may have contributed to any contamination of the LDW Superfund Site. But as a former owner of property within the boundaries of the LDW Superfund Site, KGC is potentially liable for any contamination of the LDW Superfund Site that may have occurred during KGC's ownership and operation of the KGC Property. In order to assess its potential liability and to comply with its legal obligation to respond to EPA's Section 104(e) information request, KGC is obligated to complete its review of the historical corporate documents stored in California.

Based on our records, Certain Underwriters At Lloyd's, London (Bowes; Landis, Pelletier & Parrish) ("Lloyd's") sold comprehensive general liability insurance

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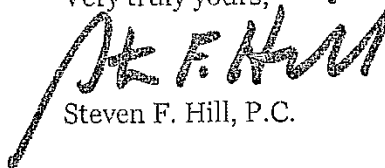
Page 4

policies to KGC or its parent Hanson Permanente Cement, Inc. (formerly known as Kaiser Cement & Gypsum Corporation and Kaiser Cement Corporation), naming KGC as an additional insured, during the period from 1943 through 1962. The specific Lloyd's policies that we have located to date are listed above.

The EPA's Section 104(e) information request requires KGC to defend itself from any claims that it is a liable party for the contamination discovered in the LDW Superfund Site. Accordingly, on behalf of KGC, we hereby put Lloyd's on notice of this claim and request that Lloyd's provide defense and indemnity coverage for this claim and any other claims against KGC that are related to the LDW Superfund Site.

If you have any questions, please e-mail me at steve.hill@millernash.com or call me at 360.699.4771.

Very truly yours,



Steven F. Hill, P.C.

cc: Brian A. Kelly
Claire Louis

KG2005623

039391-0009/VANDOC5:50144629.1

7160 3901 9848 2715 5512

TO: Bowes & Company, Inc.
Insurance Broker, Inc.
c/o Swett & Crawford
720 Olive Way, 18th Floor
Seattle, WA 98101

SENDER: MN/Hill/Ledwith

REFERENCE: 039391-0008(0009)

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SEATTLE, WA 98101

7160 3901 9848 2715 5529

TO: Bowes & Company, Inc.
Insurance Broker, Inc.
c/o Swett & Crawford
c/o CT Corporations System
1801 West Bay Drive NE, Suite 206
Olympia, WA 98502

SENDER: MN/Hill/Ledwith

REFERENCE: 039391-0008(0009)

PS Form 3800, January 2005

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7160 3901 9848 2715 5505

TO: AON Service Corporation
c/o Corporation Service Company
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

SENDER: MN/Hill/Ledwith

REFERENCE: 039391-0008(0009)

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500 East Broadway
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Vancouver, Washington 98660-3324
OFFICE 360.699.4771
FAX 360.694.6413

Steven F. Hill, P.C.
Admitted in Washington and Oregon
steve.hill@millernash.com
(360) 619-7004 direct line

December 21, 2010

**BY CERTIFIED MAIL
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Aon Risk Insurance Services West, Inc.
c/o Registered Agent
Prentice Hall Corp System
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

Aon Risk Services, Inc.
Of Washington
c/o Registered Agent
Corporate Service Company
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

Aon Service Corporation
c/o Corporation Service Company
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

Subject: Insured: Kaiser Gypsum Company, Inc.
Insurer: Industrial Indemnity
Certain Underwriters at Lloyd's, London
Policy No. (Periods): See Enclosed
Claim: Lower Duwamish Waterway Superfund Site

Ladies and Gentlemen:

We represent Kaiser Gypsum Company, Inc. ("KGC"), in connection with the necessary investigation that it is undertaking in order to respond to the United States Environmental Protection Agency's ("EPA") February 19, 2010 request for information served on KGC pursuant to Section 104(e) of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. §9604(e). Section 104(e) of CERCLA obligates KGC to respond to EPA's multi-part questions relating to KGC's historical ownership and operations on riparian property

KG2005625

039391-0009/VANDOC5:50144706.1



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Aon Risk Insurance Services West, Inc.
 Aon Risk Services, Inc. of Washington
 Aon Service Corporation
 December 21, 2010
 Page 2

that KGC formerly owned along the Lower Duwamish Waterway ("LDW") in Seattle, Washington. The LDW is a waterway that has been listed on the CERCLA National Priorities List as a federal Superfund site (the "LDW Superfund Site") due to the release or substantial threat of release of hazardous substances in or around the waterway. Compliance with the EPA's Section 104(e) information request is required by law, and failure to respond may subject KGC to an EPA enforcement action and civil penalties of up to \$37,500 per day.

KGC is in the process of investigating its historical connection with the LDW. To date, we have only been able to confirm that KGC owned property and operated a gypsum plant at 5931 East Marginal Way S. in Seattle, Washington on the eastern side of the LDW (the "KGC Property") from 1952 to 1978. To date, KGC has not located any former officers or employees of KGC with knowledge of its operations at the KGC Property. On June 23, 2010, KGC filed a preliminary response to EPA's Section 104(e) information request based on the information we were able to gather from real property records, tax records, and certain historical documents that were previously gathered by KGC's defense counsel during KGC's defense of asbestos litigations.

We understand that at or around the time that it ceased active business operations, KGC collected certain of its business records and sent them to storage facilities in California. These documents cover a variety of historical information, and are believed to contain documents related to historical KGC operating facilities in multiple states, including Washington. KGC was able to locate certain indexes of the California documents, but these indexes were not created with EPA's Section 104(e) information request in mind. Therefore, it is very difficult to determine the extent of documents that might contain information responsive to EPA's Section 104(e) information request or the scope of document review that might be necessary to search for such documents. We do know, however, that there are approximately 10,000 boxes of historic documents stored in California.

During preparation of KGC's response to the Section 104(e) information request, we contacted EPA and informed EPA that these historical records existed. We also indicated to EPA that, given the volume of these historical documents, we would not be able to review them by the deadline EPA had imposed for KGC's response. EPA requested that KGC file a preliminary response to the Section 104(e) information request by its deadline using the information and documents readily available to KGC. EPA further requested that KGC agree to conduct a thorough review of the historical

KG2005626

039391-0009/VANDOC5:50144706.1



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Aon Service Corporation
December 21, 2010
Page 3

records and supplement its response to the Section 104(e) information request in the next few months.

At this time, our office has conducted a preliminary review of the available box indexes for the California documents and it is clear that some boxes may contain information responsive to EPA's Section 104(e) information request. In order to fully respond to EPA's Section 104(e) information request and avoid the imposition of liability on KGC for failing to have done so, counsel for KGC will need to conduct extensive searches of the California documents over the next few months and will need to supplement KGC's preliminary response, as appropriate, based on any responsive information identified as a result of such searches. In sum, KGC needs to undertake the process of conducting an investigation of the available information in order to complete its legal obligation to respond to EPA's Section 104(e) information request.

At this time, we do not know if KGC may have contributed to any contamination of the LDW Superfund Site. But as a former owner of property within the boundaries of the LDW Superfund Site, KGC is potentially liable for any contamination of the LDW Superfund Site that may have occurred during KGC's ownership and operation of the KGC Property. In order to assess its potential liability and to comply with its legal obligation to respond to EPA's Section 104(e) information request, KGC is obligated to complete its review of the historical corporate documents stored in California.

Based on our records, the companies identified on the enclosed list sold excess and/or umbrella liability insurance policies to KGC or its parent Hanson Permanente Cement, Inc. (formerly known as Kaiser Cement & Gypsum Corporation and Kaiser Cement Corporation), naming KGC as an additional insured, during the period from 1953 through 1985. The specific policies that we have located to date are listed on the enclosure.

The EPA's Section 104(e) information request requires KGC to defend itself from any claims that it is a liable party for the contamination discovered in the LDW Superfund Site. Should further review of historical records establish a basis for KGC's potential liability for contamination of the LDW Superfund Site, we expect that EPA will name KGC as a potentially responsible party for the LDW Superfund Site. Accordingly, on behalf of KGC, we hereby put Industrial on notice of this potential claim and request that Industrial provide coverage for this claim and any other claims against KGC that are related to the LDW Superfund Site.

KG2005627

039391-0009/VANDOC5:50144706.1



MILLER NASH
ATTORNEYS AT LAW

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Aon Risk Insurance Services West, Inc.
Aon Risk Services, Inc. of Washington
Aon Service Corporation
December 21, 2010
Page 4

If you have any questions, please e-mail me at steve.hill@millernash.com
or call me at 360.699.4771.

Very truly yours,

Steven F. Hill, P.C.

Enclosure

cc: Susan M. Breen-Quinn
Brian Kelly
Claire Louis

KG2005628

039391-0009/VANDOC5:50144706.1

POLICIES

Carrier: Industrial Indemnity
Policies: JB8312723 (04/01/81-04/01/83)

Certain Underwriters at Lloyd's, London (C.T. Bowring)
PY024577 (10/01/77-10/01/78)
Reed Stenhouse Cert. LUS1294 / PY008381 (04/01/80-04/01/81)
LUS1324 / PY027381 (04/01/81-04/01/84)
LUS1325 / PY027481 (04/01/81-04/01/84)
LUS1326 / PY027581 (04/01/81-04/01/82)
LUS1355 (04/01/82-04/01/83)

**Certain Underwriters at Lloyd's, London
(J.H. Minet / Landis Pelletier & Parrish)**
70107/51910 (03/01/53-03/01/54)
70108/54151 (03/01/54-03/01/55)
73158/LL56155 (03/01/55-03/01/56)
78500/57238 (09/15/55-09/15/58)
75211/LL57956 (03/01/56-03/01/57)
LL2453 (09/17/56-09/17/59)
76128/LL60090 (03/01/57-03/01/58)
79409/62100 (03/01/58-03/01/59)
64500/81538 (03/01/59-03/01/60)
LL65521 (09/15/59-09/15/60)
LL67473 (09/15/60-09/15/61)
LL67477 (09/15/60-09/15/61)
LL69261 (09/15/61-09/15/62)

**Certain Underwriters at Lloyd's, London
(J.H. Minet / Chapman & Co / Landis Pelletier & Parrish)**
79882 (09/15/58-9/15/60)
79883 (09/15/58-09/15/59)
79884 (09/15/58-09/15/60)
79885 (09/15/58-09/15/60)
80900 (09/15/59-12/31/61)
83086 (09/15/60-12/31/61)
83024 (09/15/60-12/31/61)
83143 (09/15/60-12/31/61)

KG2005629

**Certain Underwriters at Lloyd's, London
(J.H. Minet; notice to Landis Pelletier & Parrish)**

LL73974 (09/17/53-09/17/56)
LL65521 (09/15/59-09/15/60)
61560/LL69700 (12/31/61-12/31/63)
61561/LL69701 (12/31/61-12/31/63)
64564 (12/31/63-12/31/64)
64022 (12/31/63-12/31/64)

**Certain Underwriters at Lloyd's, London
(J.H. Minet; notice to Underwriters Service, Inc.)**

LUS1031/LUS1031A/031382000 (12/31/64-01/01/68)
LUS1032/LUS1032A/031383000 (12/31/64-01/01/68)
LUS1033/LUS1033A/301384000 (04/22/65-01/01/68)
LUS1037/LUS1037A/301384000 (06/01/65-06/01/68)
LUS1066/LUS1066A/025114000 (01/01/68-01/30/71)
LUS1067/LUS1067A/025115000 (01/01/68-01/30/71)
LUS1068/LUS1068A/025116000 (01/01/68-01/31/71)
LUS1069 (01/01/68-01/01/71)

Certain Underwriters at Lloyd's, London (Howden)

SCU 956483/ 57545/83 (04/01/83-05/01/84)
XL500280/57546/83 (04/01/83-05/01/84)
XS740072G/58548/84 (05/01/84-04/01/85)
SCU956816/58552/84 (05/01/84-04/01/85)
XS740074G/58550/84 (05/01/84-04/01/85)
XC740075G/58551/84 (05/01/84-04/01/85)
834/58549/84 (05/01/84-04/01/85)

**Certain Underwriters at Lloyd's, London
(Sedgwick, notice to Alexander & Alexander / Clifton & Company)**

Risk No. UQA0091 (04/01/83-04/01/84)
Risk No. UQA0092 (04/01/83-04/01/84)

KG2005630

VANDocs:50144693.1

7160 3901 9848 8113 9749

TO:
Aon Risk Services, Inc. of Washington
c/o Registered Agent
Corporation Sercie Company
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

SENDER: MN/Hill/Ledwith

REFERENCE: 030391-0008/0009

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Aon Risk Insurance Services West, Inc.
c/o Registered Agent
Prentice Hall Corp System
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

SENDER: MN/Hill/Ledwith

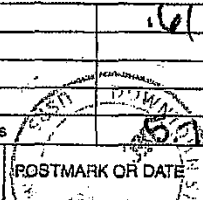
REFERENCE: 030391-0008/0009

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TO:
Aon Service Corporation
c/o Corporation Service Company
300 Deschutes Way SW, Suite 304
Tumwater, WA 98501

SENDER: MN/Hill/Ledwith

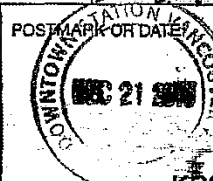
REFERENCE: 030391-0008/0009

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500 East Broadway
Suite 400
Vancouver, Washington 98660-3324
OFFICE 360.699.4771
FAX 360.694.6413

Steven F. Hill, P.C.
Admitted in Washington and Oregon
steve.hill@millernash.com
(360) 619-7004 direct line

December 21, 2010

**BY CERTIFIED MAIL
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Cravens, Dargan & Company
c/o The Corporation Trust Company
Corporation Trust Center
1209 Orange Street
Wilmington, DE 19801

Cravens, Dargan & Company
1903 Hermann Drive
Houston, TX 77004

Cravens, Dargan & Company
c/o Malcom Cravens, Registered Agent
234 Bush Street
San Francisco, CA 94104

Subject: Insured: Kaiser Gypsum Company, Inc.
Insurer: Certain Underwriters At Lloyd's, London (Cravens)
Policy No. (Periods): L061715 (09/15/62-09/15/63)
Claim: Lower Duwamish Waterway Superfund Site

Ladies and Gentlemen:

We represent Kaiser Gypsum Company, Inc. ("KGC"), in connection with the necessary investigation that it is undertaking in order to respond to the United States Environmental Protection Agency's ("EPA") February 19, 2010 request for information served on KGC pursuant to Section 104(e) of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. §9604(e). Section 104(e) of CERCLA obligates KGC to respond to EPA's multi-part questions relating to KGC's historical ownership and operations on riparian property that KGC formerly owned along the Lower Duwamish Waterway ("LDW") in Seattle, Washington. The LDW is a waterway that has been listed on the CERCLA National Priorities List as a federal Superfund site (the "LDW Superfund Site") due to the release

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December 21, 2010
Page 2

or substantial threat of release of hazardous substances in or around the waterway. Compliance with the EPA's Section 104(e) information request is required by law, and failure to respond may subject KGC to an EPA enforcement action and civil penalties of up to \$37,500 per day.

KGC is in the process of investigating its historical connection with the LDW. To date, we have only been able to confirm that KGC owned property and operated a gypsum plant at 5931 East Marginal Way S. in Seattle, Washington on the eastern side of the LDW (the "KGC Property") from 1952 to 1978. To date, KGC has not located any former officers or employees of KGC with knowledge of its operations at the KGC Property. On June 23, 2010, KGC filed a preliminary response to EPA's Section 104(e) information request based on the information we were able to gather from real property records, tax records, and certain historical documents that were previously gathered by KGC's defense counsel during KGC's defense of asbestos litigations.

We understand that at or around the time that it ceased active business operations, KGC collected certain of its business records and sent them to storage facilities in California. These documents cover a variety of historical information, and are believed to contain documents related to historical KGC operating facilities in multiple states, including Washington. KGC was able to locate certain indexes of the California documents, but these indexes were not created with EPA's Section 104(e) information request in mind. Therefore, it is very difficult to determine the extent of documents that might contain information responsive to EPA's Section 104(e) information request or the scope of document review that might be necessary to search for such documents. We do know, however, that there are approximately 10,000 boxes of historic documents stored in California.

During preparation of KGC's response to the Section 104(e) information request, we contacted EPA and informed EPA that these historical records existed. We also indicated to EPA that, given the volume of these historical documents, we would not be able to review them by the deadline EPA had imposed for KGC's response. EPA requested that KGC file a preliminary response to the Section 104(e) information request by its deadline using the information and documents readily available to KGC. EPA further requested that KGC agree to conduct a thorough review of the historical records and supplement its response to the Section 104(e) information request in the next few months.

At this time, our office has conducted a preliminary review of the available box indexes for the California documents and it is clear that some boxes may contain

KG2005633

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ATTORNEYS AT LAW

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December 21, 2010
Page 3

information responsive to EPA's Section 104(e) information request. In order to fully respond to EPA's Section 104(e) information request and avoid the imposition of liability on KGC for failing to have done so, counsel for KGC will need to conduct extensive searches of the California documents over the next few months and will need to supplement KGC's preliminary response, as appropriate, based on any responsive information identified as a result of such searches. In sum, KGC needs to undertake the process of conducting an investigation of the available information in order to complete its legal obligation to respond to EPA's Section 104(e) information request.

At this time, we do not know if KGC may have contributed to any contamination of the LDW Superfund Site. But as a former owner of property within the boundaries of the LDW Superfund Site, KGC is potentially liable for any contamination of the LDW Superfund Site that may have occurred during KGC's ownership and operation of the KGC Property. In order to assess its potential liability and to comply with its legal obligation to respond to EPA's Section 104(e) information request, KGC is obligated to complete its review of the historical corporate documents stored in California.

Based on our records, Certain Underwriters At Lloyd's, London (Cravens) ("Lloyd's") sold excess and/or umbrella liability insurance policies to KGC or its parent Hanson Permanente Cement, Inc. (formerly known as Kaiser Cement & Gypsum Corporation and Kaiser Cement Corporation), naming KGC as an additional insured, during the period from 1962 through 1963. The specific Lloyd's policies that we have located to date are listed above.

The EPA's Section 104(e) information request requires KGC to defend itself from any claims that it is a liable party for the contamination discovered in the LDW Superfund Site. Should further review of historical records establish a basis for KGC's potential liability for contamination of the LDW Superfund Site, we expect that EPA will name KGC as a potentially responsible party for the LDW Superfund Site. Accordingly, on behalf of KGC, we hereby put Lloyd's on notice of this potential claim and request that Lloyd's provide coverage for this claim and any other claims against KGC that are related to the LDW Superfund Site.

KG2005634

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December 21, 2010
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If you have any questions, please e-mail me at steve.hill@millernash.com
or call me at 360.699.4771.

Very truly yours,

Steven F. Hill, P.C.

cc: Brian Kelly
Claire Louis

KG2005635

039391-0009/VANDOC5:50744706.1

CONFIDENTIAL BUSINESS INFORMATION

7160 3901 9848 8113 9886

TO:
Cravens, Dargan & Company
c/o Malcom Cravens, Registered Agent
234 Bush Street
San Francisco, CA 94104

SENDER: MN/Hill/Ledwith

REFERENCE: 030391-0008/0009

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Cravens, Dargan & Company
1903 Hermann Drive
Houston, TX 77004

SENDER: MN/Hill/Ledwith

REFERENCE: 030391-0008/0009

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7160 3901 9848 8113 9862

TO:
Cravens, Dargan & Company
c/o The Corporation Trust Company
Corporation Trust Center
1209 Orange Street
Wilmington, DE 19801

SENDER: MN/Hill/Ledwith

REFERENCE: 030391-0008/0009

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VANCOUVER WA

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CENTRAL OREGON
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500 East Broadway
Suite 400
Vancouver, Washington 98660-3324
OFFICE 360.699.4771
FAX 360.694.6413

Steven F. Hill, P.C.
Admitted in Washington and Oregon
steve.hill@millernash.com
(360) 619-7004 direct line

December 21, 2010

**BY CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

C.V. Starr & Co. Inc.
399 Park Avenue
New York, NY 10022

C.V. Starr & Co.
c/o Registered Agent
CT Corporation System
1801 West Bay Drive NW, Suite 206
Olympia, WA 98502

Subject: Insured: Kaiser Gypsum Company, Inc.
Insurer: Certain Underwriters At Lloyd's, London (C.V. Starr & Co.)
Policy No. (Periods): 12-0053 (01/30/71-01/01/74)
Claim: Lower Duwamish Waterway Superfund Site

Ladies and Gentlemen:

We represent Kaiser Gypsum Company, Inc. ("KGC"), in connection with the necessary investigation that it is undertaking in order to respond to the United States Environmental Protection Agency's ("EPA") February 19, 2010 request for information served on KGC pursuant to Section 104(e) of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. §9604(e). Section 104(e) of CERCLA obligates KGC to respond to EPA's multi-part questions relating to KGC's historical ownership and operations on riparian property that KGC formerly owned along the Lower Duwamish Waterway ("LDW") in Seattle, Washington. The LDW is a waterway that has been listed on the CERCLA National Priorities List as a federal Superfund site (the "LDW Superfund Site") due to the release or substantial threat of release of hazardous substances in or around the waterway. Compliance with the EPA's Section 104(e) information request is required by law, and failure to respond may subject KGC to an EPA enforcement action and civil penalties of up to \$37,500 per day.

039391-0009/VANDOC5:50T44706.1
KG2005637



MILLER NASH
ATTORNEYS AT LAW

PORTLAND, OREGON
SEATTLE, WASHINGTON
VANCOUVER, BRITISH COLUMBIA
CENTRAL DREDDEN
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C.V. Starr & Co., Inc.
December 21, 2010
Page 2

KGC is in the process of investigating its historical connection with the LDW. To date, we have only been able to confirm that KGC owned property and operated a gypsum plant at 5931 East Marginal Way S. in Seattle, Washington on the eastern side of the LDW (the "KGC Property") from 1952 to 1978. To date, KGC has not located any former officers or employees of KGC with knowledge of its operations at the KGC Property. On June 23, 2010, KGC filed a preliminary response to EPA's Section 104(e) information request based on the information we were able to gather from real property records, tax records, and certain historical documents that were previously gathered by KGC's defense counsel during KGC's defense of asbestos litigations.

We understand that at or around the time that it ceased active business operations, KGC collected certain of its business records and sent them to storage facilities in California. These documents cover a variety of historical information, and are believed to contain documents related to historical KGC operating facilities in multiple states, including Washington. KGC was able to locate certain indexes of the California documents, but these indexes were not created with EPA's Section 104(e) information request in mind. Therefore, it is very difficult to determine the extent of documents that might contain information responsive to EPA's Section 104(e) information request or the scope of document review that might be necessary to search for such documents. We do know, however, that there are approximately 10,000 boxes of historic documents stored in California.

During preparation of KGC's response to the Section 104(e) information request, we contacted EPA and informed EPA that these historical records existed. We also indicated to EPA that, given the volume of these historical documents, we would not be able to review them by the deadline EPA had imposed for KGC's response. EPA requested that KGC file a preliminary response to the Section 104(e) information request by its deadline using the information and documents readily available to KGC. EPA further requested that KGC agree to conduct a thorough review of the historical records and supplement its response to the Section 104(e) information request in the next few months.

At this time, our office has conducted a preliminary review of the available box indexes for the California documents and it is clear that some boxes may contain information responsive to EPA's Section 104(e) information request. In order to fully respond to EPA's Section 104(e) information request and avoid the imposition of liability on KGC for failing to have done so, counsel for KGC will need to conduct extensive searches of the California documents over the next few months and will need to supplement KGC's preliminary response, as appropriate, based on any responsive



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C.V. Starr & Co., Inc.
December 21, 2010
Page 3

information identified as a result of such searches. In sum, KGC needs to undertake the process of conducting an investigation of the available information in order to complete its legal obligation to respond to EPA's Section 104(e) information request.

At this time, we do not know if KGC may have contributed to any contamination of the LDW Superfund Site. But as a former owner of property within the boundaries of the LDW Superfund Site, KGC is potentially liable for any contamination of the LDW Superfund Site that may have occurred during KGC's ownership and operation of the KGC Property. In order to assess its potential liability and to comply with its legal obligation to respond to EPA's Section 104(e) information request, KGC is obligated to complete its review of the historical corporate documents stored in California.

Based on our records, Certain Underwriters At Lloyd's, London (C.V. Starr & Co.) ("Lloyd's") sold excess and/or umbrella liability insurance policies to KGC or its parent Hanson Permanente Cement, Inc. (formerly known as Kaiser Cement & Gypsum Corporation and Kaiser Cement Corporation), naming KGC as an additional insured, during the period from 1971 through 1974. The specific Lloyd's policy that we have located to date is listed above.

The EPA's Section 104(e) information request requires KGC to defend itself from any claims that it is a liable party for the contamination discovered in the LDW Superfund Site. Should further review of historical records establish a basis for KGC's potential liability for contamination of the LDW Superfund Site, we expect that EPA will name KGC as a potentially responsible party for the LDW Superfund Site. Accordingly, on behalf of KGC, we hereby put Lloyds on notice of this potential claim and request that Lloyds provide coverage for this claim and any other claims against KGC that are related to the LDW Superfund Site.

If you have any questions, please e-mail me at steve.hill@millernash.com or call me at 360.699.4771.

Very truly yours,

Steven F. Hill, P.C.

cc: Brian Kelly
Claire Louis

7160 3901 9848 8113 9893

TO:

C.V. Starr & Co., Inc.
399 Park Avenue
New York, NY 10022

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MN/Hill/Ledwith

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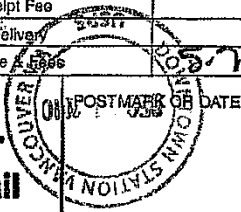
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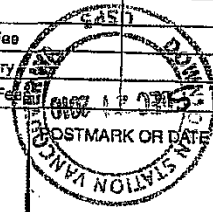
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Resolute Management Inc.
New England Division
Two Central Square
Cambridge, MA 02139-3311

April 2, 2010

SENT VIA EMAIL

Jeff Miller
Miller Nash LLP
500 East Broadway, Suite 400
Vancouver, Washington 98660-3324

Assured: Kaiser Gypsum ("Kaiser")
Re: Hazardous Waste Claims/St. Helens & Honolulu Harbor Sites

Dear Mr. Miller:

We write to inform you that, effective April 1, 2010, Resolute Management, Inc.-New England Division ("Resolute-NE") assumed responsibility for claim servicing the above-referenced claims on behalf of Resolute Management Services Limited for the Underwriters at Lloyd's, London (collectively "RMSL" or "Underwriters"). Examples of the claim servicing activities we will now be performing include:

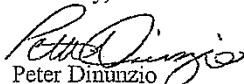
- reviewing underlying defense bills and reimbursement requests;
- receiving and acknowledging new claim notices;
- receiving correspondence and status updates regarding cleanup of the above-referenced sites;

Please send all future correspondence and payment requests intended for RMSL to the undersigned's attention at Resolute-NE. However, please continue to direct correspondence and payment requests intended for the London Market Company Market Insurers to Brian Kelly, Esq. of Duane Morris LLP.

Underwriters continue to reserve all of their rights, positions, and defenses under their policies and applicable law and nothing contained in this letter should be deemed or construed as a waiver of any such rights, positions or defenses.

Should you have any questions regarding the foregoing or wish to discuss this matter in general, do not hesitate to contact the undersigned at the number or addresses listed herein.

Sincerely,


Peter Dinunzio

cc: Brian Kelly, Esq.
Duane Morris LLP
One Market, Spear Tower, Suite 2200
San Francisco, CA 94105-1127

KC2005641